

generation. We will continue to lead the world to promote freedom and peace.

For all Americans, these years in our history will always stand apart. There are quiet times in the life of a nation when little is expected of its leaders. This isn't one of those times. This is a time that needs firm resolve, clear vision, and a deep faith in the values that makes us a great nation.

None of us will ever forget that week when one era ended and another began. On September the 14th, 2001, I stood in the ruins of the Twin Towers. It's a day I will never forget. Workers in hardhats were screaming at me, "Whatever it takes." I was doing my best to comfort those who had been in the rubble, and a guy grabbed me by the arm and he said, "Don't let me down." As I wake up every morning, I think about how to better protect our country. I will never relent in defending America, whatever it takes.

Four years ago, I traveled your great State asking for the vote, and I made a pledge that if you honored me with this great responsibility, I would uphold the honor and the dignity of the office to which I had been elected. With your help, with your hard work, I will do so for 4 more years.

God bless. Thank you all for coming. Thank you all.

NOTE: The President spoke at 5:28 p.m. at Noelridge Park. In his remarks, he referred to Iowa State Representative Chuck Gipp; Senator Zell Miller of Georgia, who gave the keynote address at the 2004 Republican National Convention; Prime Minister Ayad Allawi of the Iraqi Interim Government; Prime Minister Junichiro Koizumi of Japan; and Chairman Kim Chong-il of North Korea.

Remarks in a Discussion in Broadview Heights, Ohio *September 4, 2004*

The President. Thank you all. Go ahead and be seated. Thanks for coming. Thank you all. I appreciate you coming today. Thank you. Okay, be seated. We got some work to do here. Thanks for coming. I've got an interesting way to describe to you how we're going to make America a safer world and a more hopeful world. And today I'm going to do so by talking to some of your citizens about some interesting ideas as to how to improve life throughout America, throughout Ohio, and throughout the Cleveland area. Then I'd like to take some of your questions, if we've got time. Then I've got to get back on the bus. [*Laughter*]

See, I'm out—I believe you have to go ask people for the vote, and that's what we're doing in Ohio again, asking people for the vote.

Before I begin, before I talk about issues that are on your mind, I do want to talk about something that's on my mind and, I know, on your mind as well. Today on our TV screens, last night on our TV screens, we saw the horror of terror in Russia. And I can just imagine the heartfelt anguish of the moms and dads of those Russian kids. Our prayers are with those families, and yesterday is a grim reminder of the nature of the terrorists we face. That is why this country must be strong and diligent, never yielding. We must bring them to justice before they harm us.

So when I asked Laura to marry me, she said, "Fine, just so long as I never have to give a speech." [*Laughter*] I said, "Okay, you'll never have to." Fortunately, she didn't hold me to my word. What a fabulous speech she gave, and she's a—

you need to put me back in so she can have 4 more years as First Lady.

So I'm up there giving the speech, and I'm staring right at Janet Voinovich. What a comforting feeling that was. I appreciate George and Janet being here. Thank you all for coming. George Voinovich is a great United States Senator, and he needs to be reelected.

And then when I could tell Janet was tired of me looking at her, I switched over to Fran DeWine. She's not with us, but her great husband, Michael DeWine, the United States Senator from Ohio, is with us, and Alice, sweet Alice, Alice DeWine, a student at Miami University, Miami of Ohio. Alma mater, I want you to know, of my grandfather Marvin Pierce. You know, they always say politics is local. My grandfather Marvin Pierce went to Miami of Ohio. My other grandfather, Prescott Bush, was raised in Columbus, Ohio. You know, as I told them in Columbus the other day, "Why don't you put a home boy back in the White House."

Ralph Regula is with us, a great United States Congressman. Thank you for coming, Mr. Chairman. It's fitting we're here in a high school, and Ralph being here. He's a—he's got a lot to do with the Federal funding of schools. I really appreciate Steve Farnsworth, who is the superintendent of the Brecksville-Broadview Heights High School district. I want to thank Brian Wilch, who's the principal. If he thought bringing order to a high school with a bunch of high school kids was hard, he learned there's something harder, and that's welcoming a President. *[Laughter]* Thank you for your hard work; appreciate your hospitality.

Part of making sure America is a more hopeful place is to raise the standards in all schools, is to measure whether or not children are achieving those standards, is to correct problems early before it's too late, is to challenge the soft bigotry of low expectations, is to trust local people to make decisions for their schools, and that's

what we're doing. And schools are improving around America because of it.

Mayor Glenn Goodwin is with us. Mr. Mayor, thanks for coming. Mayor Jerry Hruby is with us. I'm honored the two mayors are here. Where are they? Oh, thank you, Mayor. Thank you, Mayor. One time somebody said, "Did you ever give the mayor advice?" I said, "I did. Fill the potholes." *[Laughter]* Works every time. *[Laughter]*

Michael Hargrove—Mike, yes, thanks for coming. He's a—he's not going to believe I know this, but he's from Pampa, Texas. *[Laughter]* Isn't that right? Pampa, Texas, it's part of the panhandle. That's where they raise really fine people, good, solid, down-to-earth people who perform, and I appreciate Mike. He's a great baseball player for the Rangers. Thanks for coming.

In order to make sure America is a more hopeful place, we've got to make sure our economy grows. We've been through a lot in this economy. We've been through a recession. When you're out gathering people up for vote, remind them. If you've got the undecided person out there, just tell them the facts. The country has gone through a recession, went through corporate scandals which affected the confidence of our economy—the people in the country, which affects the economy. And we endured a terrorist attack, and that attack hurt our economy. In other words, there was great obstacles to growth, yet we're overcoming those obstacles today. The economy is strong, and it is getting stronger.

One reason why it's strong and getting stronger is because we've got great workers. Another reason why is because the entrepreneurial spirit in America is alive and well. The small-business sector of our economy is really good. Our farm economy is strong. The ranchers are making a living. We're overcoming the obstacles. I also think one of the reasons why is because of tax relief.

We're going to talk to some people who have benefited from the tax relief, small-business owner and a family. They can tell the story better than I can. But the facts are real. This month—last month, we added 144,000 new jobs. People are getting back to work. And when you look at June and July and revise the numbers upwards like they did, it means 200,000 new jobs were added in the last monthly report, over 1.7 million new jobs added since August of '03. The economy is growing. I understand there's places in America where—that lag behind the national growth rate. Ohio has got pockets of unemployment that are unacceptable. But the unemployment rate nationally is 5.4 percent. That's lower than the average of the 1970s, 1980s, and 1990s.

We have got a plan to make sure that people who want a job can find one. The plan says that in order to keep jobs in America, we've got to keep your taxes low. Running up the taxes on the people right now would hurt the economic vitality and growth.

There's a difference of opinion in this campaign, by the way. [Laughter] My opponent has already promised \$2 trillion of new spending, and we've still got a little ways to go in the campaign. [Laughter] It's awfully tempting out there to tell people what they want to hear, and there's no telling how much more he's going to promise. But they've asked him, "How are you going to pay for it?" He said, "Oh, don't worry, we'll just tax the rich." You've heard that before, haven't you? You know what that means, "just tax the rich." First of all, you can't tax the rich enough to pay for \$2 trillion of new spending. Second of all, the rich hire accountants for a reason. He's not going to be taxing anybody in '05, because he's not going to win. We're going to win Ohio, and we're going to win the country.

A couple of other things. The—so here's how you keep jobs here in America. You're wise about—we've got to be wise about

how we spend your money in Washington. We've got to keep your taxes low.

Congress will get an energy plan to my desk that encourages conservation; that encourages the use of renewables such as ethanol, biodiesel; that explores for ways to make sure that we use technology to leapfrog the current problems we have, like hydrogen-powered automobiles; that works on clean coal technology; that says we'll explore for natural gas in environmentally friendly ways. It's a plan, though, that recognizes that we must become less dependent on foreign sources of energy if we want to keep jobs here in America.

Our vision of economic vitality and growth says, we'll cut down on needless regulations and we support legal reform. We believe that lawyers—we believe these lawsuits are making it hard for small businesses to keep their doors open.

We believe, in order to keep jobs here in America, that trade ought to be free and fair. In other words, we open our markets for products from overseas, and that's good for consumers. See, if a consumer has got more to choose from, he or she is more likely to get the product you want, at a price you want, and at the quality you demand. So the only fair thing to do is to say to other countries like China, "You treat us the way we treat you," and that's precisely what this administration is doing. We are holding them to account when it comes to trade laws. We're making sure that trade is fair. That's why I took the action I did on steel, and the steel plants are up and running here in the Cleveland area and all around the State of Ohio because of the firm action this administration took.

A couple of other points I want to make right quick, and then we'll start talking to some people here. In order to make sure jobs stay here, our health care systems have to work well. See, health care is costly, and I think the role of Government is to address the root causes of high cost. We

must allow small businesses to pool together, to pool risk together so they can purchase insurance at the same discounts that big businesses get to do. And that's important. That's an important policy, because 50 percent of the uninsured in America work for small businesses. So if we can help small businesses address the cost of health care, it will help people get insurance.

Another thing we need to do is to make sure that we expand community health centers to every poor county in America. We want people, the low-income and the poor, to be able to get preventative health care in community health centers, not in emergency rooms in hospitals all over America.

Finally, in terms of health care, there's a lot of things we're going to do. We'll make sure the Medicare reforms we've got in place continue to work. Seniors, by the way, it makes no sense in old Medicare to say, "We'll pay for the hospitalization for a heart surgery and not pay for the prescription drugs that would have prevented the heart surgery from being needed in the first place." That's why we reformed and strengthened Medicare, so it worked on behalf of our seniors, and it made sense for American taxpayers.

Beginning in 2005, seniors will get free preventative screenings in Medicare. It never happened before. It's now happening because of our leadership, and I want to thank the Senators who are here and the Congressman who is here. You see, it makes sense to give seniors screening so you can detect problems early and begin to address them before they become acute. In 2006, seniors will have prescription drug coverage in Medicare. We went to Washington, DC, with the idea of solving problems. We have done the job when it comes to improving health care for our seniors.

Finally—one other point I want to make on health care, and if you got some other questions, I'll answer them. But listen, these frivolous lawsuits are running docs out of business and running the cost of

medicine too high. This is a national problem. It's a national problem. Small businesses are having trouble affording health care because premiums are up, because doctors are being sued and they practice defensive medicine. The frivolous lawsuits hurt you as consumers. We need medical liability reform in Washington, DC—now.

This is—there is a big difference on this issue in this campaign. There is a fundamental difference in this campaign. You cannot choose between being pro-doctor, pro-hospital, and pro-patient and pro-plaintiff-attorney. I mean, you have to choose. You can't be for both. You can't be pro-doctor, pro-hospital, pro-patient and pro-plaintiff-attorney at the same time. You've got to choose. My opponent chose, and he put him on the ticket. I made my choice.

One of the things, we're living in changing times. That's one of the points I tried to make the other night. It's a very important part of this campaign. It's who recognizes the times we live in and who's got a plan to help America; it's not dictate to Americans but help Americans realize their dreams. The systems that we now live under, the Tax Code, the health care plans, the worker training programs, and the retirement programs, were all designed for yesterday, if you think about it. And what I told the American people Thursday night is, the next 4 years we'll design the systems for tomorrow to help people realize their dreams, and we're going to talk a little bit about that today.

They say, "What do you mean?" Well, take a look at Social Security. Social Security is solvent for boomers like me and old guys like Voinovich—[laughter]—older guys like Voinovich. [Laughter] If you're retired or near retirement, you have nothing to worry about in Social Security. But if you're a younger worker just getting started, you better listen carefully to the rhetoric of this campaign. See, I believe we ought to strengthen Social Security by allowing younger workers to take some of their own

tax money and set up a personal account that they can call their own.

It's a different attitude. It's a different way of looking at things, but it means the younger worker is going to get a better rate of return on the money. It means the younger worker will have a nest egg they can call their own. And it means the younger worker can take that nest egg and pass it on to another generation. It's a way to make sure Social Security fulfills its promise to the young people of America and encourage ownership at the same time.

I believe this country ought to set up opportunity zones. An opportunity zone says that if you've lost manufacturing jobs, if you've lost plants, if you've lost retail sales, you qualify. An opportunity zone is different from an empowerment zone. Empowerment zones are the old zones that said it just—all that matters is the poverty levels. We're saying that matters too—poverty levels count—but if you've been affected by the changing times, you ought to be allowed to set up an opportunity zone. Parts of Ohio will qualify. These are changing times. The job base is changing.

Here's what an opportunity zone means. It means that the local governments will come together and present a transition plan that says, "We're going to reduce regulation. We're going to create an environment for economic growth." And the Federal Government will provide significant tax relief to businesses that provide businesses in those opportunity zones, will direct Federal monies to community colleges, will help with housing money. In other words, it will be an intensive, holistic effort to address the fact that the economy is changing, and that's what I want to spend some time talking about, as well as working some other issues.

We've got a small-business owner, Frank Piunno, with us today. There he is. Get up here, Frank. Frank is a—he's an entrepreneur. That means he's a dreamer, that he creates jobs because he has got a start—he started his own business or owns his

own business. By the way, there's nothing better than a society in which more and more people are saying, "I own my own business." That's why we believe in an ownership society in America.

Frank, tell us what you do.

Frank Piunno. My company is Marketing Communication Resource, and we do confidential data printing and mailing. We do things like your patient—hospital patient bills. We print and mail those. We personalize printing for universities. We do work in the manufacturing segment. We do pricebooks and catalogs, mostly confidential information, printing it.

The President. Good, good. How many employees you got?

Mr. Piunno. We have 20 employees, 2 of which are my sons.

The President. Really? Good. Well, they probably want us to make sure the death tax is gone forever. So did you add any employees this year?

Mr. Piunno. Yes, we've added three employees this year.

The President. Why—why have you added three employees?

Mr. Piunno. Well, we've been able to take advantage of the tax credits to invest in equipment. But we've also been able to keep equity in the business, which has allowed us to add people.

The President. Yes. Interesting, isn't it? One of the things that sometimes these numbers really don't reflect is the fact that the small-business sector is adding people. See, he's added three this year, and that happens all over the country. One of the things that you like to hear, if you're a fellow like me, is that the small-business sector is thriving because most new jobs in America are created by small businesses. And when you hear Frank say, well, he's added three, that's good because there's a lot of Franks around adding 3 here, 10 there, 15 there. One of the other things—Frank is called an S corp. Right?

Mr. Piunno. Yes.

The President. That's a legal term. I'm not a lawyer either. [Laughter]

Mr. Piunno. Neither am I.

The President. That's why I said "either." See, here's something interesting about the tax relief we've provided that nobody—or very few people focus on, except for Frank. If you're an S corp or a sole proprietorship—these are legal terms for small businesses—you pay tax at the individual income-tax rate. Most small businesses are S corps, like Frank's, and sole proprietorships. So when you heard us say we're going to reduce taxes on everybody who pays taxes, reduce the individual income-tax rates, nearly a million small businesses benefited because they got more—they've got more money in their coffers. The tax relief helped him. It gave him a different frame of mind—putting words in his mouth. I'm not even a lawyer. Anyway—[laughter]

So one of the things, when they say they're going to tax the rich, think about small businesses. That's what they're talking about. When they run up the top rate, they're affecting S corps and sole proprietorships. It would be bad for our economy to take money out of this guy's small business. He's growing. Just when he's beginning to add people, why would you want to tax him? It makes no economic sense to tax people like Frank.

What did you invest in?

Mr. Piunno. We—where? We invested in equipment, digital printing equipment, black equipment, and full-color equipment.

The President. See, he got extra tax benefits. We provided incentives for small businesses to invest. Why? Because most small businesses—most new jobs are created by small businesses. Secondly, when a company is investing, it means somebody has got to make the product that they're purchasing. So somebody has got to make this machine he bought. When we increase demand for goods and services through tax relief, the economy grows. Somebody has got to be working on the machine that he

wants to purchase. More importantly, his workers become more productive, so they're more likely to keep a job.

Accurate?

Mr. Piunno. Yes.

The President. Good, yes. If this county is declared an opportunity zone, here's how Frank's business will benefit. First, because he's a small business, he'll receive additional tax savings. In other words, they'll say, "Here's more incentive to expand." Secondly, because he's a small business, he will receive more expensing allowance when it comes to purchasing equipment. Right now, the limit's at 100,000. We'll double the amount he can expense when he buys equipment. That will be helpful for this part of the world. Thirdly, the—he will get wage credit for hiring people who live in the opportunity zone. In other words, the opportunity zone says to a small business, "Stay here and expand, and there will be economic benefits if you do so." I'm pretty confident he would like this to be an opportunity zone here.

Mr. Piunno. Yes, I would.

The President. Yes. Well, it's got a very good chance of being one, because this part of the world is changing. That's what we're talking about. And so the question is, what do you do about it? And what we do about it is we create opportunities, new opportunities, by streamlining regulations and focusing tax relief to expand the job base in the community in which it has been affected. And a good way of doing that is to help the small-business owners around this part of the world. And that's what we're going to do.

Thanks, Frank. Good job.

Mr. Piunno. Thank you.

The President. Claire Rosacco. Claire Rosacco is the vice president of public affairs and information with—

Claire Rosacco. Cayahoga Community College.

The President. Cayahoga Community College. Tell us about your community college.

Ms. Rosacco. Cayahoga Community College, as I hope many of you are aware, we also call Tri-C. It's our nickname. And we are the largest and first—

The President. Kind of like W. [Laughter]

Ms. Rosacco. We're the largest and first community college in the State of Ohio. We service all of northeast Ohio. And I'm excited to tell you about some new initiatives we have that we think will complement your opportunity zone. We started in this past year what we are calling corporate college, and I hope some of you have heard of corporate college. It's really—[applause]—thank you—it is to help all of us hone on our skills for professional development and upscaling our own skills as we go through this new knowledge-based economy.

The President. Yes, can I interrupt you? Sorry.

Ms. Rosacco. Sure.

The President. Obviously, can't stand to have her have the mike the whole time. [Laughter] Look, I just want to reflect on what she just said. Jobs change. This is a changing world. The worker training programs must reflect the fact we're in a changing world. Workers need new skills in order to fill the new jobs in a changing world. That's what she's saying.

Go on.

Ms. Rosacco. Thank you. [Laughter] We also believe that human development is one of the drivers to help us with economic development, and again, that is what you're getting back to. We work with small, medium, and large companies, and really, we are a lifelong learning institution, as many community colleges are around the country, and that's what makes them so fun to work with and to be a part of. As many of you know, we have child care centers, so we get the very young. We offer early childhood education. We offer traditional college for the associate's degree. And then we go on to job retraining and training, and we do certification programs. We're one of the

largest certification programs in the allied health field in the country. We rank about eighth.

The President. One of the—you know, one of the most unsettling things that happens in a changing economy is a person says, "Oh, no, I don't have the skill set. The job that I can do has changed." It may have left. And Government has the responsibility to help ease those anxieties. And one of the ways to do so is to pay for a person going to community college to learn a new set of skills, and one of the—for example, the health care field she just mentioned, there's a lot of good, high-paying jobs in health care, but there's a skills gap. And the community college system is a great way to provide the skills necessary to fill those jobs.

I met a lot of people around the country who have lost a job, gone back to community college, and made more money after having got an associate's degree at a community college than they did in the last year of their previous job. In other words, skills raise productivity levels, and productivity levels means higher pay, and the community college system is a great place to do that.

I notice you're training people for the Rock and Roll Hall of Fame. [Laughter]

Ms. Rosacco. Absolutely. We have—

The President. A couple of guitar players. [Laughter]

Ms. Rosacco. We support the guitar players. [Laughter] We have a great recording arts technology program that is phenomenal, and so we really do support that industry by teaching people all of the electronics that go along with, for instance, producing a CD or producing a video. And we are blessed, because we have some of the finest equipment that our students can work on if they would like to do that. And in fact, we had a student project last year where they produced their own CD with local Cleveland entertainers coming in, and we pressed their CD for them.

The President. Great. I appreciate you coming. But let me say one thing about how community colleges fit into an opportunity zone. There are streams of Federal money; a lot of it is grant driven, formula-driven grants. And a community college in an opportunity zone would be first in line for the money. In other words, there would be an intense focus on Federal funding.

When the strategy is in place, there will be a Federal Government effort, along with State and local governments, to focus resources to help a community which has been affected by changing times rise up and get back on its feet and become a viable, productive part of our national economy. And a community college system and the community college in that opportunity zone will play an integral role.

I want to thank you for coming. I want you to know that I believe community colleges are an integral part of helping people during changing times, and that's why we invited Claire here.

We've got a homebuilder with us today, Rob Myers. There he is. He's an entrepreneur. He's building homes. By the way, the homeownership rate in America is at an alltime high. It is a hopeful statistic to be able to say, more people are opening up their own door, saying, "Welcome to my home. Welcome to my piece of property," and we intend to keep it that way—we intend to keep it that way.

Tell us, you know, besides interest rates, tell us what else is on your mind when it comes to building homes. If you've got problems, what are they? If you don't have problems, sit down. [*Laughter*]

Rob Myers. Mr. President, we're about the most overregulated business there must be.

The President. Yes, see, people don't understand this about homebuilding.

Mr. Myers. Every city we work in has their own building code. It's different in every city. Every city requires that we file tax forms for every employee working in that city with that city. So if you've got

5 employees working in 10 different cities, that's 50 local tax forms we've got to fill out just to do one job. It's unbelievable.

The President. Yes. I presume the Federal Government might pile on a little bit too.

Mr. Myers. Well, I don't know how much time you've got here. [*Laughter*] The cost of land is more because the requirements to develop land are just getting higher and higher and higher as we're trying to deal with the paperwork, which is so vague that they can't even define things that are wetlands, which you'd think wetlands should be wet, but a drainage ditch is a wetland today.

The President. Yes. See, here's—what he's talking about is that we've become a regulatory society at all levels of government. And that damages not only the homebuilder, but really it really affects the homebuyer. If it's harder to build something, it makes the product more scarce, and therefore, price goes up. What we're trying to do is reduce price on homes. We want more homes to be built so people have a chance to realize their dream of ownership. And therefore, one of the advantages of an opportunity zone is we're going to say to local folks, "If you want to qualify for an opportunity zone to get priority in Federal funding and good tax relief, streamline your regulations."

In other words, before an application is accepted, they've got to listen to people like this good man, Frank—or Rob—Joe—[*laughter*]*—Rob*, so as to streamline regulations. It makes no sense if you're trying to revitalize a part of the country and the regulatory burden is so heavy that there can't be a plethora of affordable homes. So one of the reasons we asked this good man to come by was to be able to talk about homeownership but, as significantly, is to remind people about the burdens that stand in the way between the homebuilder and the homebuyer, and that's needless regulations at the local, State, and Federal level. Good job.

Joe Goletz. So one of the things that needs to change in a society where people change jobs is the concept of owning your own health care plan. It makes sense in a changing world for people to have a health care plan that they manage, that they own, and that they can take with them from job to job. It's a little different from the way the old health systems were set up, and so one of the things that we did in the Medicare bill was establish what's called health savings accounts. The principle of a health savings account is it says that an individual is in charge of his or her health decisions, that the decisions for health are made between doctor and patient, not by distant bureaucrats.

And so here's—we're going to talk to an owner of a health savings account. These are new. They're necessary. They're going to be really necessary to help small businesses afford health care, and let me let him describe to you how they work.

Joe Goletz. I'll do my best on that. Well, being a small-business owner—I started a business about 2 years ago. That's what caused me to look into other options, pooling with other small businesses, and the medical savings accounts that used to—that preceded the health savings accounts were out there at that time too. But knowing the new law that's coming down beginning the first of this year, we read through it, and it made a whole lot of sense. My wife is a stay-at-home mom with four young kids at home, so this is—this had to be a plan that could cover all of us.

The President. Right.

Mr. Goletz. And it does.

The President. Let me describe how it works, and then you can tell us whether it worked for you.

A health savings account says that somebody will purchase a catastrophic health care plan with a large deductible. So in other words, say it's got a \$3,000 deductible associated with the plan, which is less costly than regular insurance, by the way. The family or the person will be covered from

\$3,000 and above with medical expenses. So the fundamental question is what happens between zero and 3,000. A health savings account says to a small-business owner, small-business employee, sole proprietorship, "You can put money in that aspect of your health savings account tax-free. You earn money within the health savings account tax-free. You can take money out for health reasons tax-free. And if you don't spend all you've got in your account, you roll it over to the next year tax-free." In other words, it says—[*applause*].

So he and his family have got a \$5,000 deductible, zero to 5,000. He's responsible, in his case, for the money between zero and \$5,000. In other words, if he goes to the doctor's office, he pays for it. If he buys a prescription drug, he pays for it. By the way, small businesses can set these up, and they can pay for their employees from zero to whatever the deductible is, to the top of the deductible.

Anyway, what was your—give us a sense of savings.

Mr. Goletz. Well, before the plan, we were paying roughly \$700 a month for family coverage. And now, we're paying \$225 a month. And—

The President. Well, he's saving \$475 a month on his insurance, and he's out of pocket from zero to 5,000. But he's putting money in the account tax-free. It's earning money tax-free. And if they don't spend any money this year, it rolls over, so it's a savings account for health purposes. It's a way for somebody to say, "This is my health care plan. I own it for all my life, and I can pass it to my kids for their health care plans as well."

Go ahead.

Mr. Goletz. Just one more thing on that, too, is we didn't have to switch doctors. We were with Cleveland Clinic Doctors, and that was very important to us. And this plan allows us to stay there and do that, so our kids have the same pediatrician, and we have the same doctors. It's been a very good plan for us.

The President. Yes, see, and by the way, just to complete the story, because of the tax relief we passed, this family saved \$2,900 in the year '03, and 2,900 in '04, to help him with those health care costs if they arise. Tax relief helps American families.

Thanks for coming.

Where are the Dotsons? Right here in front of me, Julie and Carl Dotson. They're—what do you do?

Carl Dotson. I'm a C&C machinist at Luke Incorporated in Wooster, Ohio.

The President. Fabulous. Julie?

Julie Dotson. I'm a stay-at-home mom.

The President. Very good.

Mrs. Dotson. We have two sons.

The President. Very good. Look at these little guys. The reason I've asked them to come is because a lot of times when we talk about tax relief, you just hear slogans and numbers. And I think it's important to put a face on tax relief so that the people who are deciding whether or not you're going to keep your taxes low actually hear what tax relief means for families.

The tax relief we passed, by the way, reduced all rates. We said, "Let's be fair about it. You pay taxes; you get relief," as opposed to playing politics with tax relief. But we also did some other things. We helped small businesses. We raised the child credit. If you're a mom or dad raising kids, raising the child credit helps. We reduced the marriage penalty. See, the Tax Code ought to encourage marriage, not penalize marriage.

How much money did you save?

Mrs. Dotson. We saved \$2,000.

The President. Yes, see, that's probably not a lot for some of them in Washington. It's only got three zeroes attached to it. [Laughter] What did you do with it?

Mrs. Dotson. We used our money to upgrade and renovate our home, to upgrade our plumbing and also to remodel our boys' room to give them a desk and to make their room more conducive to doing their schoolwork.

The President. Yes, that's a good thing, isn't it, guys? You will do your schoolwork, and we're remodeling your room so you'll do so. Did you do the work yourself?

Mrs. Dotson. No, actually, we did part of it ourselves, but we also hired a plumbing contractor to do our plumbing.

The President. Yes, see, here's the way the economy works. We increase demand for a service. Tax relief caused these people to make a decision that enabled a plumbing contractor to find additional work. No telling whether the plumbing contractor needed to expand his job base because of your demand, but nevertheless, money starts moving. See, the role of Government, in my judgment, is to set priorities, fund those priorities, and let people keep as much money as we can, because you can spend your money better than the Federal Government can.

Okay, real quick. That bus is beginning to warm—I can smell its diesel fumes—[laughter]—and I've got a little more to say.

One thing, though, is that they're talking about permanency in the Tax Code. You might have heard me say it the other night—if we don't make the tax relief permanent, these people's taxes are going up, and that's a mistake. It affects their family. It affects their planning. It affects their comfort. It will also affect the economy. Congress needs to listen to people like these good folks and keep that tax relief that we passed permanent.

Before I answer some questions, I do want to talk about how to keep America safer. I just want to give you some principles on which I'm making decisions. First and foremost, you cannot negotiate with the enemy. These people are—you can't hope for the best with them. You cannot sit down and rationalize with them. That's not the way they are. These are people who have adopted an ideology of hatred and used terror to shake our will. They use terror as a tool to try to drive us out

of the world and stop the march for freedom. That's just the stakes of the world we live in, and therefore, we must be resolute, firm, never yielding. We must find them in other countries so we do not have to face them here at home.

Secondly, second point is, when the President says something, he better mean it, for the sake of peace and freedom. I just had a couple of things I want to share with you. I said if you—this is a different kind of war. By the way, I never wanted to be the war President. If they would have said, "Here's a list of things that you can be when you're President," it would have been my last choice. This war was brought on us. This war came to our soil. We didn't ask for it. We didn't ask for it, but we'll deal with it. That's the hand—that's what—history has called us to act.

It's a different kind of war. It's a war that—where we've got to find people who are buried in caves and hiding in cities. And therefore, the doctrine that says, "If you harbor a terrorist, you're just as guilty as a terrorist," has been and will continue to be enforced. I said that about the Taliban in Afghanistan. They're no longer in power. America is safer for it because Afghanistan is no longer a safe haven for Al Qaida. And the Afghan people are better off, and that counts.

I also told the families of our troops and, more importantly, those who wear our uniform, "When we put you in harm's way, you'll have all the resources you'll need to fight and win the war against the terrorists." Obviously, there's a difference of opinion about that in this campaign.

I went to Congress last September and proposed supplemental funding for our troops in harm's way—body armor, fuel, ammunition, spare parts, equipment that was necessary to uphold the promise to those who wear the uniform and their loved ones that we'll support them in their mission—and we got great bipartisan support. That means Democrats and Republicans voted for this initiative. All but 12 people

in the United States Senate voted for the funding, 2 of whom are my opponent and his runningmate. Do you know that there was only four United States Senators who voted for the authorization of war but against the funding for our troops in harm's way, and two of those are my opponent and his runningmate.

Audience members. Boo-o-o!

The President. So they asked him, they said, "Well, why did you make this decision?" He said, "I actually did vote for the \$87 billion, before I voted against it." And then they kept pressing him, and he finally ended up saying it was a complicated matter. There is nothing complicated about supporting our troops in combat.

Third point—two more points—2½ more points, and I'm going to answer your questions. When we see a threat, we must deal with it before it materializes, before it comes to hurt us. That's a lesson of September the 11th. It's a vital, vital lesson that our country must never forget.

The world changed on that day. You see, we used to see threats prior to September the 11th and say, "We might deal with it. We may not deal with it, but surely it's not going to come to harm us here at home." And that all changed, and it's really important for people to understand the consequences of what happened on September the 11th. I understand it.

And that's why, when I saw a threat with Saddam Hussein, I went to the Congress and said, "There's a threat." They understood it. They looked at the same intelligence I did, and they remembered the same history of this guy. He's an enemy of America. He used weapons of mass destruction. He harbored terrorists. He invaded his neighbors. He killed thousands of own citizens. That's the definition of a threat. And Congress looked at that intelligence and said, "Yes, Mr. President, we agree with you. He's a threat." And they authorized the use of force. My opponent voted yes when it came time to authorizing the use of force. He looked at the very

same intelligence I did and came to the same conclusion I did.

The last choice of a Commander in Chief is to put his troops—put the troops in harm's way. So I went to the United Nations. We tried diplomacy to deal with the threat before it fully materialized. The U.N. Security Council voted overwhelmingly to say to Saddam, "Disclose, disarm, or face serious consequences." He wasn't about to listen. As he had for over a decade, he just—he ignored the demands of the free world. They sent inspectors into his country, and we knew that he was systematically deceiving the inspectors. Why would you do that?

And so I have a choice to make at this time in our history. As I told them the other night, it's a choice that only comes to the Oval Office. It's a choice no President wants to make but better be ready to make. And I made the choice to remove Saddam Hussein from power because I remembered the lessons of September the 11th. I knew he was a madman. I knew we couldn't trust his word. And I knew my most solemn duty was to defend the American people. Knowing what I know today, I would have made the same decision. America is safer with Saddam Hussein in a prison cell.

Finally, one other point, and I'm going to answer some questions. One final point really quickly, and it's important you know this about me: I believe that liberty can transform nations. I believe that liberty has got the power of helping the world be peaceful. I believe that freedom can convert enemies into allies. I believe that freedom is how you promote peace. That's what I believe. And so long as I'm your President, I will strongly believe that.

I believe it for a couple of reasons. I believe it because I've had conversations with the heads of—head of a country who was—which was a former enemy, Prime Minister Koizumi. Sixty years ago or so, my dad and your dads were at war with Japan. They were a sworn enemy. A lot

of blood was spilled over that war. And yet today, 60 years—it seems like a long time if you're 58 years old like me, but it's not so long in the march of history—60 years later, I'm sitting down at the table with this man, talking about keeping the peace. Liberty has transformed Japan into—an enemy into an ally. It's a powerful force in history.

Liberty and freedom are powerful. They're powerful. I believe every heart longs for liberty. I think it's wrong to condemn people to tyranny. I don't think it upholds the ideals of our country to say, "Certain people can be free, and other people can't be free. Certain people want to be free, and other people don't want to be free." I believe everybody wants to be free, because freedom is the Almighty God's gift to each man and woman in this world; that's what I believe. [Applause] Okay, I've got some more work to do here. Thank you all.

But what I'm telling you is, we've done the hard work, and now we can see a peaceful world coming our way. I long for peace, and I know you do as well. We've done the hard work to defend our country, and by staying firm and resolved, this world is going to be more peaceful for our kids and grandkids. It's the legacy we'll leave behind, a legacy of a freer world and a more peaceful world.

Now, let me answer some questions from you, and then I'm going to head on the bus, up the road, shaking those hands and kissing those babies. [Laughter]

Yes, sir.

Salute to the President

Q. Thank you, Mr. President.

The President. I can tell you're a veteran. Thank you for your service.

Q. Thank you.

The President. I may even be able to guess the branch of service.

Q. Thank you, Mr. President. I'm also the proud father of a Navy pilot who flew in Operation Iraqi Freedom for 10 months.

The President. There you go. What carrier?

Q. He was flying off with the *Abraham Lincoln*.

The President. Yes.

Q. And on behalf of my son, I was wondering if you would permit me the honor of giving our Commander in Chief a real Navy salute and not a flip-flop.

The President. God bless you. Thank you. That's great. Thank you, sir. I appreciate that.

Okay, yes, sir, you got a question? Thank you, made my morning. Tell your son thanks.

Jobs/President's Legacy

Q. Mr. President, I have a comment and a question. My comment is that since last summer, my company, Ohio Cat, which is headquartered here in Broadview Heights, has added 100 jobs.

The President. Thank you.

Q. And those jobs are union jobs, non-union jobs, hourly, salary, and they're throughout Ohio. So I'm proud of that, and I think you can be too.

The President. I am proud of that, thanks.

Q. As you look backwards and forwards over your two administrations, what do you see as your most important legacy to the American people?

The President. Yes, thank you. Peace; that after 8 years of a Presidency, the country is more secure, and the world is a more peaceful place. There will be more countries that understand the great value of unleashing the hopes and aspirations of their own people.

See, the foreign policy of the country for a while had been, let's just hope for the best in the Middle East, that they really don't care for freedom, that stability is what is important. But underneath what appeared to be a stable environment was brewing resentment. And the long-run solution in dealing with these ideologues who have got a really dark vision of the world,

is to spread the light of freedom, is to hold up the hopes and aspirations of its people.

And we're making progress. Remember, Afghanistan is now heading to freedom. Iraq is becoming free. That will serve as a powerful example for other countries in the neighborhood. My hope and dreams are that the Palestinians shirk leadership that had denied the—this kind of path to free democracy and find reformers, young reformers who believe in the hopes and aspirations of their people so that a free and peaceful society can co-exist with Israel. I think that would be a great legacy, of moving liberty to—around the world.

At home, the legacy will be that the school systems responded and challenged that soft bigotry of low expectation and raised the bars and standards, corrected problems early before they're too late, and made sure that every child has a chance to realize his or her dreams. I can't think of a better legacy than a school system which responds to the deepest desire of every parent that his or her child has a chance to realize the promise of America.

As well I think it's very important for our society to be a society based upon personal responsibility, that each of us must be responsible for the decisions we make in life.

Let's see. Let me get this lady here and then you. Yes, ma'am.

Voting for the President

Q. When I vote for President, I'm voting for the man that I'm willing to leave my children and my grandchildren to. And I just want to say that I'm proud that I'm going to be voting for you.

The President. Well, thank you very much. I appreciate that.

You got a question? You're next. Be thinking of a question. [Laughter]

Tax Reform

Q. I was hoping you could comment on some of the tax reform you're referring to,

as it applies to revising the IRS and maybe even going as far as looking at a flat tax.

The President. No, I appreciate that. One of the antiquated parts of our society is the Tax Code. It's complicated. It's full of loopholes, and I believe it needs to be simplified. I know that Senator Voinovich—needs to be simplified. When I said it in my convention speech, I thought he was going to fly right up on the stage and give me a hug. I was hoping he wouldn't. [Laughter] But we've talked about this before.

And we're going to bring Republicans and Democrats together. I'm not going to prejudge the outcome. It's certainly one option. I've been asked in a variety of venues, "Are you in favor of the sales tax? Are you in favor of the flat tax?" What I'm in favor of is changing the Tax Code to make it easier to understand and more simple. I think by simplifying the code, we will encourage economic growth. A complex code that is hard to understand and requires enormous amounts of paperwork and time and lawyers and accountants is really counterproductive to economic growth.

So it's going to be important for me not to prejudge the outcome, but I am not going to prejudge—I will not hold back in saying that I'm adamant about bringing these people together and to present a plan to the Congress that will make it easier for you to fill out your taxes and make it easier for you to realize the system is fair. And that's the best thing we can do with tax relief.

Yes, ma'am.

Broccoli

Q. Do you like broccoli?

The President. Do I like broccoli? It's okay. I'm not nearly as turned off by it as my dad is. [Laughter] If you really want to get into it, I kind of like the top of the broccoli. [Laughter] I don't like the stalk itself—not that good.

Yes.

2004 Election/Afghanistan

Q. What can we do in the next 60 days to ensure that you win Ohio and get re-elected?

The President. Yes, thank you, sir. I was hoping he'd ask that question. That's the kind of question I was hoping to get. [Laughter] First, register people to vote. It's—we have a duty to vote. Did I tell you—talk about the 10 million people in Afghanistan today yet? No. Okay. It's hard to believe, isn't it? Ten million people in Afghanistan have registered to vote. It's amazing—it's amazing, isn't it? Really think about that. Prior to September the 11th, 2001, these people were living in the—well, prior to later on in 2001, they were still living in the clutches of the Taliban. These barbaric people would not let young girls go to school. They would whip their mothers in the public square if they didn't toe their dark vision of Islam, you know, toe the line. They were the opposite of the kind of people we are in America. We respect human rights. We respect human dignity. We value the freedom to worship the way you want to. They're the opposite, and yet, 3 years later, people are lining up to vote, 10 million people. This is in spite of the fact that the Taliban is jerking people off a bus and executing them because they're holding registration cards or they were workers trying to get people to register. You cannot stop liberty. It's a powerful force. People want to be free.

Now, the reason I bring that up is, we shouldn't take that liberty for granted in our country, and we have a duty to vote. And I would ask you to find friends and neighbors and register them to vote: Republicans, independents, discerning Democrats, like Zell Miller, for example.

Secondly, talk up the campaign. Get on the web page, georgewbush.com, and if you've got questions about issues, if you've got questions about this agenda I laid out last Thursday night, read up on it. And then talk to a friend or neighbor and say,

"Here's what he believes. Here's why I believe America will be a more—a safe place and a hopeful place under 4 more years of George Bush. Here's the specific agenda item." If you get stuck, just tell them he's the kind of guy who does in office what he said he was going to do on the campaign trail. You might remind them that I—anyway.

And then, come election time, help find people and turn them out. This is a matter of encouraging people to vote and then seeing to it that they do vote. It's really important. It's called grassroots politics. And I want to thank you for asking that question. I was supposed to say that right off the bat. [Laughter]

Let's see, a couple of more. Yes, sir.

Candidates' Philosophical Differences

Q. Mr. President, thank you for your leadership, first of all. Can you highlight the stark difference between the policies of Kerry's camp versus yours with respect to the individual psyche? It's clear that the economic policies of, "We'll take care of you because you can't take care of yourself"——

The President. Right.

Q. ——are much different from yours, which is, "We'll create an environment to support you as an individual," not to mention the right-to-life issue, which doesn't value the individual in the womb.

The President. Right, yes. Let me talk about that. There is a—we have a philosophical difference. I believe that Government ought to unleash the creative talents of the American people, ought to stand by people, that we need to transform the systems of Government so as to help people realize their dreams. In other words, that's why health savings accounts are important. That's why, in the Medicare reform, seniors were given more choices. That's why, on the education reform, we raised standards. We said, "You measure, but correct problems early before they're too late. If not, give parents additional options." That's why

we, on the tax relief, said that you can spend your money far wiser than the Federal Government can.

In other words, it's the philosophy that drives much of what we're doing, as opposed to a philosophy that says, "Here's another program"—like on health care—"Here's a program that will empower the Federal Government. The Federal Government will decide this. The Federal Government will decide that. The Federal Government will make this decision," as if the people can't decide for themselves as to what's best for them.

And so it's a—I like to put it this way. My opponent is for expanding the role of the Federal Government; we are for expanding opportunity for individuals. And I look forward to the philosophical debate.

Arctic National Wildlife Refuge/Energy Policy

Q. Ohio loves you. I had to say that.

The President. Thank you. I accept that.

Q. I support drilling in ANWR, and I just wanted to know what your position is on that.

The President. Yes, I appreciate that very much. The question is whether or not we should explore for much-needed reserves in what's called ANWR, which is a part of Alaska. I believe we should, and I know we can do so in environmentally friendly ways. Let me explain it to you now so you understand—that the drilling area would be the size of an airport in Cleveland, Ohio. In other words, it would be on what would be like your airport, and the rest of the entire area here would have no exploration at all. In other words, the pad, the place at which they would place the equipment to drill for much-needed crude oil and natural gas, would be the size of the airport region here inside your entire county. It's a very small part of the world.

Secondly, I know we can do it in environmentally friendly ways.

Thirdly, it's important. They say that had we been exploring there a decade ago, we'd

have an additional million barrels of oil coming into our country. That is necessary when we're in a world of tight supply. In other words, there's—the demand for energy has gone up primarily because of China's growth. And the supplies of crude around the world are not keeping up with demand. And so if you're dependent on foreign sources of energy, like we are, you get affected at the gas pump. That additional million barrels of oil a day would have affected world price and would have helped America become less dependent on foreign sources of energy.

People are concerned as to whether or not we can explore without ruining the environment. I believe we can. I believe we can do so. I know we have the technology available.

Now, there are—listen, I've said we shouldn't be exploring off the coast of California. I meant it. There are some parts of Florida where we'll not explore. But there are some places where, in this country, where there's ample reserves, we can do so without endangering the environment. And it's a rational policy based upon the realities of the 21st century.

George and I have talked about this before. I think one of the things we ought to do is to expand nuclear power in America. We can do so with new technologies. We can do so in a way that improves the quality of our air, and it certainly makes us less dependent on foreign sources of energy.

I know we need to continue to explore clean coal technologies, and we're doing that. We've got ample money in our budget so that we can use coal in environmentally friendly ways. We're using more ethanol than ever before, and that makes sense. It seems like to me that we ought to be using our great research and development capacities to expand ways to be able to use soybeans and corn as energy sources. Nothing better than some President sitting down some day, and they come in with the crop report, and they say, "Corn is

up. We got more bushels than ever before, and therefore, we're less dependent on foreign sources of energy."

I know we can encourage more conservation, and we do so. I fully believe that we're in a period of transition here in America, and that technology is going to solve much of our energy needs. And that's why we've got ample research and development in our budgets to look for different ways in which we can use hydrocarbons or not even use hydrocarbons at all. And one such initiative is the hydrogen-powered automobile. We believe we're less than a decade away from getting that on the market, which will change the whole nature of how we travel in America. We'll be able to meet the consumer demands, and at the same time become less dependent on energy.

Thank you for asking a simple question with a long, complicated answer.

Last question. Yes, ma'am. And then we're going to get on the bus.

Military Absentee Ballots/Service to America

Q. Yes, Mr. President. My grandson is serving as a U.S. Marine in the Middle East. And if I heard correctly, the last election, some of their votes weren't counted.

The President. Yes.

Q. The military—are they going to be counted this year?

The President. As far as I'm concerned, they will be. I appreciate you saying that. It's—I think that, yes, I think they're going to be counted. I certainly hope so. We learned some lessons in the last campaign that we've got to be—that we needed election reforms. We passed good law to encourage good, honest elections and to make sure that the registrations are good and honest, to make sure that every ballot is counted. And I'm confident that there will be a greater awareness when it comes to counting these ballots.

I want you to—where is he?

Q. [*Inaudible*—don't know—

The President. Okay, good. Well, you're not supposed to know then, if you don't know. [Laughter] And I'm not going to tell you. No, I don't—[laughter]—I don't know either. But find him and tell him the Commander in Chief is incredibly proud of his service. He's serving in historic times.

Okay, one more thing, yes.

Q. We haven't heard from him in around 7 to 8 weeks, so we're really concerned.

The President. Yes. Well, maybe you ought to just give us his name. Give it to that ugly-looking guy right there—[laughter]—Todd. Yes, he'll be fine.

I mean, look, for those of you who've got a loved one in harm's way, they're serving in historic times. This world is changing. It's changing because the United States of America is leading. We're leading because of our own self-interest. We're leading because we've got a duty, and that's to secure the homeland. It's a solemn duty of protecting the American people. But we're also leading because we love liberty.

We have no desire to occupy territory. We're not interested in conquering anybody. We're interested in protecting ourselves in the short run by finding these people where they hide, disrupting their

plans, bringing them to justice. And we're interested in securing ourselves in the long run, because we know the power of liberty can transform societies to be peaceful and hopeful societies.

Your son, grandson—grandson—grandson is serving in historic times. Sometime—I fully believe this—he'll look back and say to his grandkids, "You know, I had the honor of serving America during this time of transition, and the world is better for what I did."

God bless you all. Thanks for coming. I appreciate it. On to victory. Thank you all.

NOTE: The President spoke at 8:58 a.m. at Brecksville-Broadview Heights High School. In his remarks, he referred to Janet Voinovich, wife of Senator Voinovich; Brian D. Wilch, principal, Brecksville-Broadview Heights High School; Mayor Glenn R. Goodwin of Broadview Heights, OH; Mayor Jerry N. Hruby of Brecksville, OH; former professional baseball player Michael Hargrove; Prime Minister Junichiro Koizumi of Japan; and Todd Beyer, Special Assistant to the President and Deputy Director of Advance.

The President's Radio Address *September 4, 2004*

Good morning. America is the home to the most dedicated, innovative, and decent workers in the world. And thanks to their effort and enterprise, America's economy is strong and growing stronger.

This past week we learned that we added 144,000 new jobs in August and nearly 60,000 more jobs in June and July than previously estimated. Overall, we've added about 1.7 million new jobs since last August. And the unemployment rate has fallen to 5.4 percent, nearly a full point below the peak last summer and lower than the

average rate of the 1970s, 1980s, and 1990s. Our Nation is proud of all our workers, and on this Labor Day weekend, we say thank you.

The world is changing dramatically for American workers. The global market is expanding, creating new markets for our goods and new competition for our people. Workers are changing jobs more often, and they need new skills to stay ahead. This time of change can be a time of great opportunity for American workers, and Government must take their side.